

Research Bulletin

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Vendors Must Educate Users to Acknowledge Network Support Need

Many organisations are struggling to manage their IT networks effectively, and are facing the enormous challenge of integrating numerous local area networks on an enterprise-wide level. However, while this might appear to signal opportunities for customer services vendors, the evidence from a recent INPUT survey suggests that organisations are slow to turn to external specialists for help.

The survey of 90 European IS managers reveals that some of the main obstacles faced by services vendors relate to user confusion concerning their service requirements. The survey reveals that users:

- Are often unaware of the true cost of network support
- Frequently do not have a coherent strategy for network management

- Are themselves responsible for some of the most poorly supported network services.

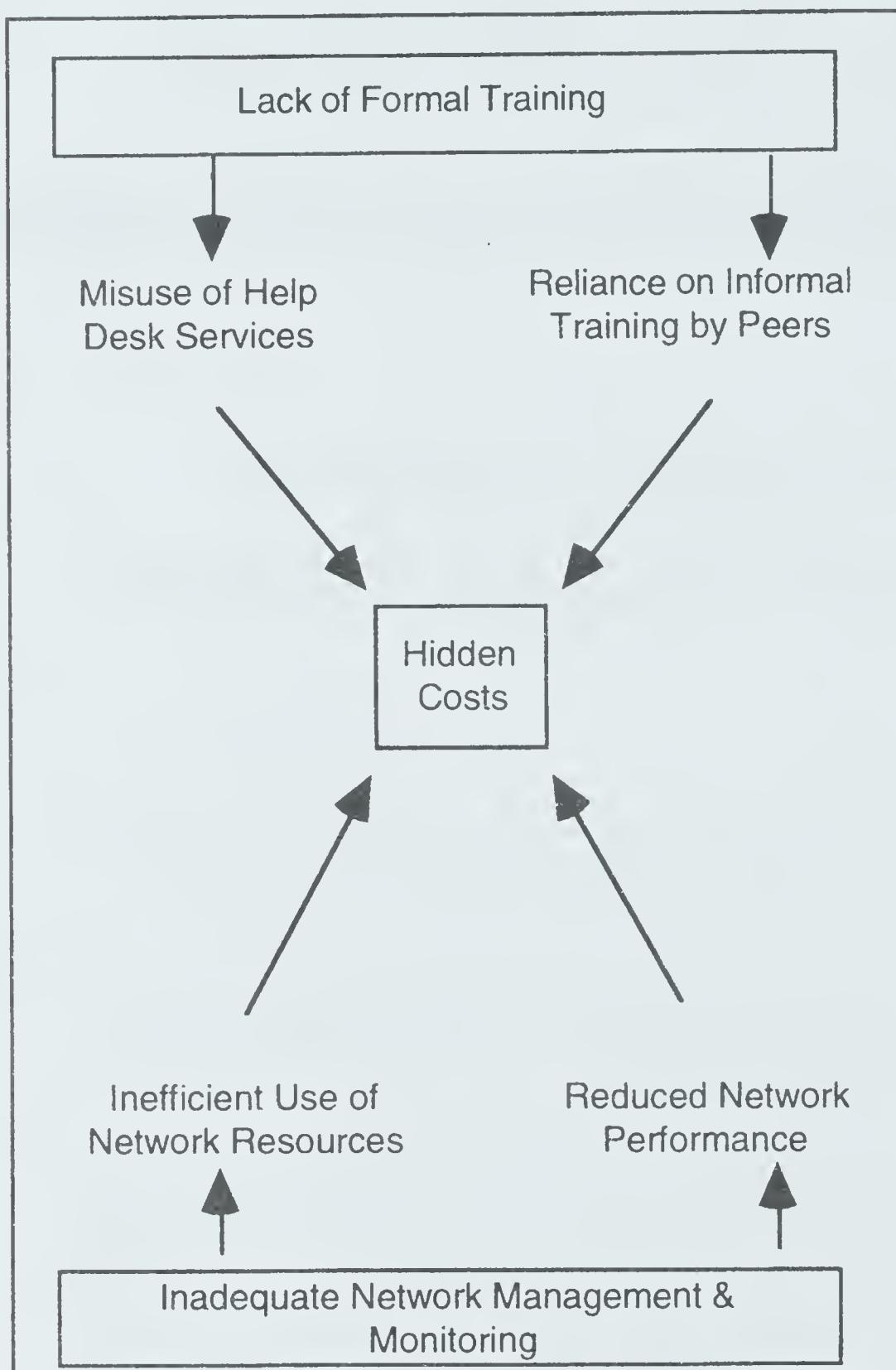
Users Unaware of Hidden Network Support Costs

Organisations tend to think of networking costs in relation to the initial purchase of hardware and software, plus an element of operational costs. However, in most cases, the operational costs are underestimated significantly. INPUT estimates that as much as 75% of the cost of running a network over three years can be attributed to operations and support functions.

To a certain extent, the cost of network operations is linked to the size and complexity of the network. However, there are many *hidden costs* associated with inadequate provision of support, which users are frequently unable, or reluctant, to acknowledge. The schematic diagram shown as Exhibit 1 indicates areas where hidden costs can occur.

Exhibit 1

The Hidden Costs of Inadequate Network Support



Source: INPUT

One such hidden cost is associated with the perceived simplicity of networked applications. Because information is readily available at desktops throughout an organisation, it is commonly thought to be easy to access and manipulate. The result is that users are often reluctant to invest in formal training, and rely on telephone help desk support and access to *power users* to solve simple operational problems. However, this incurs hidden, but real costs in terms of reduced productivity.

Educating users to acknowledge, and act upon, the hidden costs of networked computing is one of the major challenges facing customer services vendors.

Organisations Show Confusion Over LAN Management

Similarly, organisations often underestimate the need for network management and monitoring services. Poor provision of these important services can lead to inefficient use of network resources and reduced performance.

The extent of confusion over network management is further reflected in Exhibit 2. When asked about network management software tools, one in five of the IS managers sampled were unsure which, if any, tools their organisations use. One in ten organisations sampled do not currently use network management software tools, while a similar proportion claim to be currently evaluating products.

Users Acknowledge Poor In-House Support

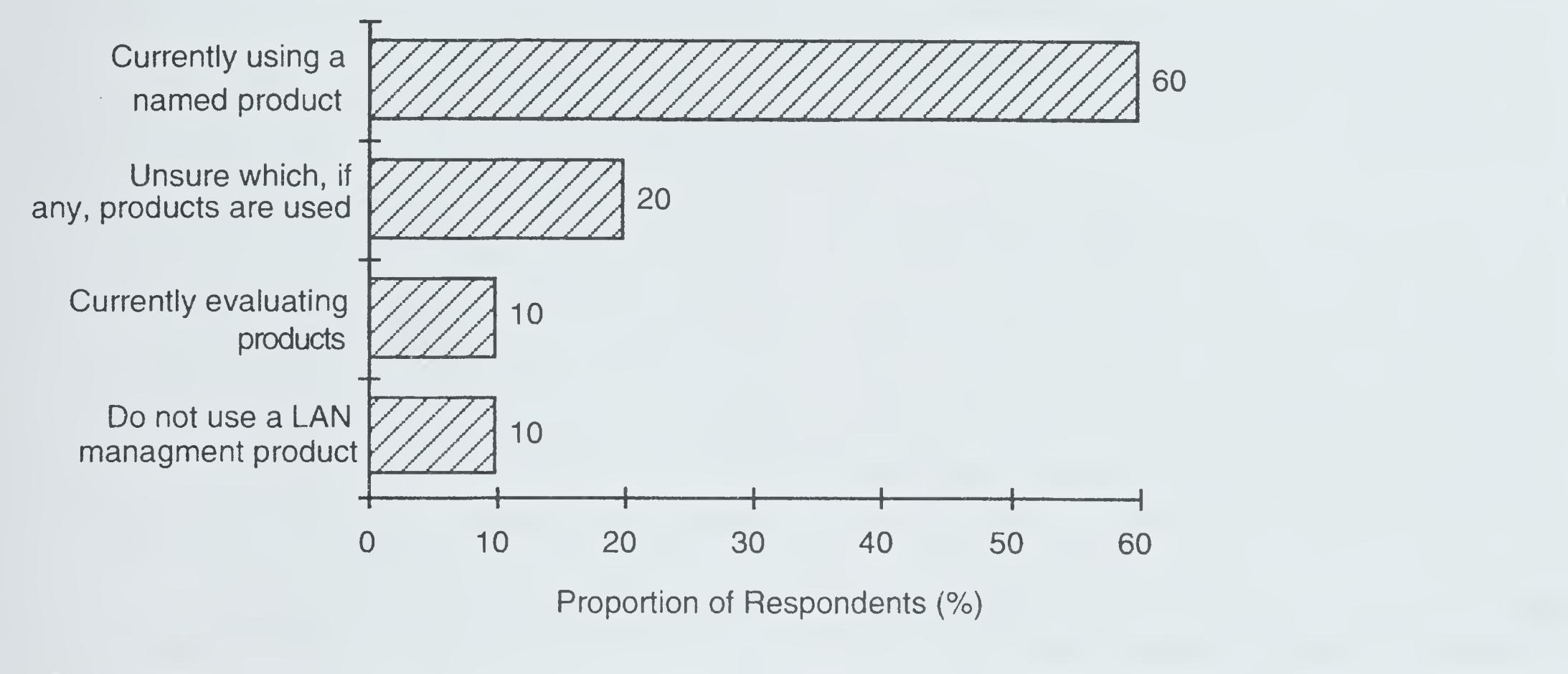
The survey revealed that, in most cases, in-house IS groups are responsible for ongoing LAN management and user support services. However, there are signs that in-house groups are not always able to deliver quality services.

Evidence of the shortcomings of in-house service capability is suggested by user satisfaction ratings for a number of network-related services. Exhibit 3 shows that some of the network services usually supplied in-house are amongst the worst supported functions.

(Continued on page 4)

Exhibit 2

Use of LAN Management Tools Within Organisations

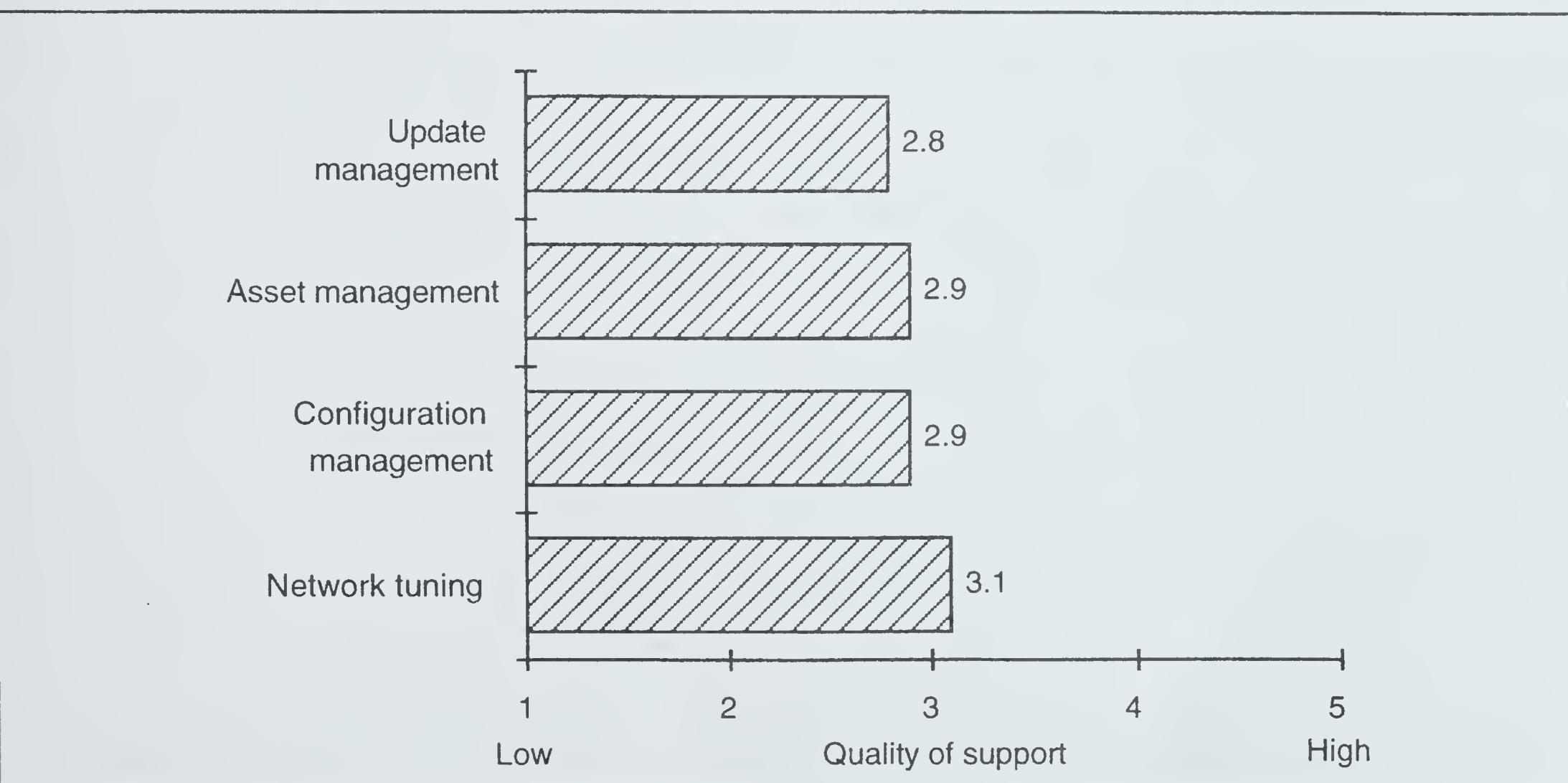


Sample of 90 Respondents.

Source: INPUT

Exhibit 3

Areas of Low Satisfaction With Network Services



Sample of 90 Respondents. Standard error = 0.1.

Source: INPUT

The implications of poor support in these areas are potentially serious. For instance, if asset management and update control are not performed to a satisfactory standard, the resultant incompatibility can be detrimental to an organisation's productivity and effectiveness.

One of the main reasons for poor support in these areas is the tendency for autonomous business units to decide the timing and scope of equipment and software purchases. This makes control very difficult, and highlights the need for enterprise-wide, managed services.

User confusion and misunderstanding regarding support needs places the onus upon vendors to educate users. If organisations are to buy support services, they must first understand the full extent of their problems and appreciate the real costs of distributed desktop computing.

Vendor marketing initiatives must emphasise the strategic importance of these services and encourage users to appreciate the benefits of collaborating with technical specialists in the key area of network management.

Arguably, services vendors have been guilty of overselling the concept of ease of use in the past. However, vendors now face the delicate task of educating users to the true extent of their support need as they position themselves to target important opportunities in the network services market.

This is particularly important if vendors are to continue their transition from reactive maintainers of equipment to proactive partners in the provision of value-added network services.